

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20054**

In the Matter of the Joint Application of:]	
]	
TKC Holdings, Inc., Transferor,]	
]	
Inmate Calling Solutions, LLC]	
d//b/a ICSolutions, Licensee]	
]	
and]	WC Docket 18-193
]	
Securus Technologies, Inc., Transferee,]	ITC-T/C-20180612-00109
]	
For Grant of Authority Pursuant to]	
Section 214 of the Communications Act of 1934,]	
as amended, and Sections 63.04 and 63.24 of the]	
Commission's Rules to Transfer Ownership and Control of]	
Inmate Calling Solutions, LLC d/b/a ICSolutions to Securus]	
Technologies, Inc.]	

**PETITION TO DENY
BY
THE WRIGHT PETITIONERS
CITIZENS UNITED FOR REHABILITATION OF ERRANTS
PRISON POLICY INITIATIVE
HUMAN RIGHTS DEFENSE CENTER
THE CENTER FOR MEDIA JUSTICE
WORKING NARRATIVES
UNITED CHURCH OF CHRIST, OC INC.
PUBLIC KNOWLEDGE**

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July 16, 2018

INTRODUCTION

In light of numerous public admonishments for violating other Commission rules, policies and procedures, Securus has clearly demonstrated that it lacks the character qualifications to remain a holder of Commission-issued authorizations. The proposed transaction will also result in the elimination of the only competitor to the two largest inmate calling service providers.

Therefore, in light of Securus's abuse of its position as the monopoly service provider at thousands of correctional authorities, the Commission must deny the Application, or designate it for hearing, and must immediately launch an investigation into these serious violations of Commission rules, policies and procedures. In the alternative, at a minimum, the Application must be held in abeyance while the Commission conducts its investigation.

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PETITION TO DENY

Pursuant to Section 63.03(a) and Section 63.52(c) of the Commission's rules, The Wright Petitioners, Citizens United for Rehabilitation of Errants, Prison Policy Initiative, The Human Rights Defense Center, The Center for Media Justice, Working Narratives, The United Church of Christ, OC Inc., and Public Knowledge (collectively, the “Petitioners”) hereby submit this Petition to Deny the application (the “Application”) to transfer control of the above-referenced Section 214 Authorization (the “Authorization”) held by Inmate Calling Solutions, LLC (“ICSolutions”) from TKC Holdings, Inc. (“TKC”) to Securus Technologies, Inc. (“Securus”).

The Application was filed on June 12, 2018, and public notice of the Application and establishment of a pleading cycle was released on July 2, 2018.¹

As demonstrated herein, the proposed transfer of control from TKC to Securus is not in the public interest, thus the Application must be dismissed or denied. In the alternative, the FCC should hold the Application in abeyance until such time that it completes an inquiry of Securus's qualifications to hold FCC licenses, particularly with regard to Securus's apparent back-door effort to acquire consumer proprietary information in violation of Section 222 of the Communications Act.

PARTIES TO THE PETITION

The Wright Petitioners — Ulandis Forte, Ethel Peoples, Laurie Lamancusa, Dedra Emmons, Charles Wade, Earl Peoples, Darrell Nelson, and Jackie Lucas — brought suit in the United District Court for the District of Columbia against Corrections Corporation of America in 2000, seeking to set aside exclusive telephone contracts among the private prisons and certain telephone companies. The matter was subsequently referred to the FCC in August 2001. These parties have prosecuted this action actively through The D.C. Prisoners' Legal Services Project, Inc. at the Washington Lawyers' Committee for Civil Rights and Urban Affairs.

Citizens United for Rehabilitation of Errants (CURE) is a grassroots criminal justice reform organization with 18,000 members throughout the country. Approximately 60% of CURE's members are incarcerated; many of their other members have loved ones who are incarcerated. CURE has been working since the 1990s to reduce the high cost of calls for incarcerated persons and their loved ones. Since 2000, CURE has conducted the eTc Campaign,

¹ See Public Notice, *Application Filed for the Transfer of Control of Inmate Calling Solutions, LLC D/B/A ICSolutions to Securus Technologies, Inc.; Pleading Cycle Established*, DA 18-684 (July 2, 2018) (the "Public Notice").

or Equitable Telephone Charges Campaign, whose sole purpose is to promote lower prison phone rates.

The non-profit, non-partisan Prison Policy Initiative challenges over-criminalization and mass incarceration through research, advocacy, and organizing. The Prison Policy Initiative directs its effort to exposing how the United States' excessive and unequal use of punishment and institutional control harms individuals and undermines our communities and national well-being. Through its research, the organization recognized that the prison and jail phone industry is yet another way that mass incarceration punishes entire communities. The Prison Policy Initiative works with partners across the country in support of fair rates for families and friends of incarcerated people.

The Human Rights Defense Center ("HRDC") is a non-profit organization founded in 1990 that nationally advocates on behalf of those imprisoned in American detention facilities. The HRDC serves as an important source of news and legal research for prisoners' rights advocates, policy makers, academics, researchers, journalists, attorneys, and others involved in criminal justice-related issues. In support of this effort, HRDC publishes materials including *Prison Legal News*, a monthly publication with subscribers in all 50 states and internationally that provides a voice to prisoners, their families, and others affected by criminal justice policies.

One of the largest media justice network in the country, the Center for Media Justice is a national organizing and training center fighting for human dignity, rights and racial justice in a digital age.

Working Narratives is an arts and social justice organization. Their Nation Inside network, which works with communities directly impacted by mass incarceration, is located in 38 states with over 400,000 members.

The United Church of Christ, Office of Communication, Inc. is the media justice ministry of the United Church of Christ, established in 1959 to advocate for media justice and communications rights. The Cleveland-based United Church of Christ has almost 5,000 local congregations across the United States.

Public Knowledge promotes freedom of expression, an open internet, and access to affordable communications tools and creative works. Public Knowledge works to shape policy on behalf of the public interest.

Each of the parties have actively participated in the several Commission dockets regarding the ICS industry – CC 96-128, WC 12-375 and GN 13-111 – or advocate on behalf of the public interest and/or parties likely to experience negative impacts if the proposed transaction is approved, and thus are parties of interest with standing to submit this Petition.

BACKGROUND

A. Qualifications Matter: Past Practices and Violations.

Proposed transferee Securus is well-known to the FCC as a main opponent of the Commission's efforts to impose caps on the rates and fees charged to inmates and their families for correctional facility phone services. Securus has also gained notoriety for its past violations of the FCC's rules, procedures and policies, leading to *three* separate public rebukes by the Commission. The most recent rebuke came less than one year ago, when in October 2017 the FCC and Securus entered a Consent Decree to resolve an investigation into false, incomplete and misleading statements made to the Commission by Securus in its attempts to expedite the transfer of control of Securus to Tom and Holly Gores through the Gores Family Trust.² Securus

² *Securus Technologies, Inc.*, Order, 32 FCC Rcd 9552 (2017).

was required to pay an unprecedented civil penalty of One Million Seven Hundred Thousand Dollars (\$1,700,000) to pave the way for the transaction to be approved.

Allegations as to Securus' fitness to hold FCC licenses have been raised many times in recent years. In 2013, the Commission had the opportunity to consider the transfer of control of Securus when ABRY Partners acquired Securus from Castle Harlan. At that time, several public interest organizations petitioned the Commission to deny those applications due to Securus's excessive rates and the lack of an affirmative showing that the proposed transaction would serve the public interest.³ Ultimately, the Commission rejected the advocates' petition due, in significant part, to the pendency of WC Docket 12-375, which was considering the very issue of excessively high rates and fees charged by Securus and other ICS providers.⁴

Related to that same transaction, however, Securus was forced to enter in a Commitment Letter with Millicorp d/b/a ConsCallHome, which had alleged that Securus was blocking legitimate ICS calls for no other reason than to preserve its monopoly control at correctional facilities.⁵ Millicorp withdrew its objection to the sale of Securus only upon obtaining the commitment.⁶

³ See *Applications Granted for the Transfer of Control of the Operating Subsidiaries of Securus Technologies Holdings, Inc. to Securus Investment Holdings, LLC*, Public Notice, 28 FCC Rcd 5720 (WCB 2013) ("*2013 Decision*").

⁴ *2013 Decision*, 28 FCC Rcd at 5723. See *Rates for Interstate Inmate Calling Services*, Second Report and Order, 30 FCC Rcd 12,763 (Nov. 5, 2015), 80 FED REG 79,136 (Dec. 18, 2015) ("*Second R&O*").

⁵ See *Letter from Dennis J. Reinhold, Vice President, General Counsel and Secretary, Securus Technologies, Inc., to Julie Veach, Chief, WCB*, WC Docket No. 13-79 (filed Apr. 26, 2013). See also *Ex Parte Letter from Phillip R. Marchesiello, Counsel to Millicorp, to Julie Veach, Chief, WCB*, WC Docket No. 13-79, pg. 7 (filed Apr. 25, 2013) ("Ultimately, Millicorp firmly believes that Securus' primary motivation for consistently blocking inmate calls to Millicorp's customers is financial. By blocking inmate calls to local numbers assigned by Millicorp to the friends and family members of an inmate, Securus forces an inmate to make long-distance calls to the inmates' loved ones. In turn, this ensures that the inmate pays the much

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Then, in 2017, in the context of the Gores transfer of control, several public interest organizations raised concerns regarding Securus’s practice of charging high first-minute rates for intrastate ICS calls, which bore a remarkable similarity to Securus’s prior per-connection charge for interstate ICS calls.⁷ During that proceeding, the Commission determined that Securus has provided false and misleading information to the FCC Chairman and staff in an effort to expedite the FCC’s review of the transaction. In the end, the FCC entered into aforementioned Consent Decree with Securus, requiring a detailed Compliance Plan and the payment of an unprecedented civil penalty.⁸

As demonstrated herein, Securus’s pattern of misconduct demands that the FCC deny the Application and/or designate it for hearing while simultaneously opening an investigation as to whether Securus holds the requisite character qualifications to hold FCC licenses.

B. Further Unlawful Activity: Securus’s Location Tracking Practices.

Most recently, Securus’s practice of obtaining and making available to law enforcement without proper safeguards, such as a warrant, real-time location tracking data of family members and loved one receiving calls from inmates has come under scrutiny. Senator Ron Wyden (D-Oregon) in May requested that Chairman Pai investigate Securus and wireless carriers for abusive and potentially unlawful practices which made available private cellphone data for use in

higher long-distance rates charged by Securus rather than Securus’ lower (but still very high) local rates.”).

⁶ See *Applications Granted for the Transfer of Control of the Operating Subsidiaries of Securus Technologies Holdings, Inc. to Securus Investment Holdings, LLC*, Public Notice, 28 FCC Rcd 5720 (WC 2013).

⁷ See, e.g., *Wright Petitioners, et al.*, WC Docket 17-126, Petition to Deny (June 16, 2017).

⁸ See *Securus Technologies, Inc., et al.*, Order and Consent Decree, FCC 17-140 (EB Oct. 30, 2017) (“2017 Order”).

surveillance by law enforcement.⁹ Securus obtained this highly-personal information from one or more third-party aggregators, which had not disclosed to the major wireless carriers their arrangement with Securus nor had they worked with the carriers to ensure consent of their customers to tracking and sharing of location information.¹⁰

These practices were brought to the FCC's attention last year, in connection with the Gores acquisition of Securus, but the FCC at that time elected not to investigate. Recent press reports, however, indicate that the FCC Enforcement Bureau has been tasked with opening an investigation.¹¹

Given the pending Enforcement investigation into Securus's role in unlawfully making location data available to law enforcement, coupled with serious character qualification questions and the concerns that Securus is seeking to acquire the third largest inmate calling service ("ICS") provider – the last ICS provider that directly competes against Securus and GTL for large jail and prison contracts –, the FCC must seize this opportunity to correct its prior failures to investigate Securus, and must closely scrutinize the instant transaction.

⁹ Letter from Sen. Ron Wyden (D-Oregon) to Chairman Ajit Pai, May 8, 2018, available at <https://www.wyden.senate.gov/imo/media/doc/wyden-securus-location-tracking-letter-to-fcc.pdf>.

¹⁰ See "Service Meant to Monitor Inmates' Calls Could Track You, Too," NY TIMES, May 10, 2018, available at <https://www.nytimes.com/2018/05/10/technology/cellphone-tracking-law-enforcement.html>.

¹¹ See, e.g., "FCC investigating website flaw that exposed mobile phone locations," REUTERS, May 18, 2018, available at <https://www.reuters.com/article/us-usa-mobile-privacy/fcc-investigating-reports-website-flaw-exposed-mobile-phone-locations-idUSKCN1IJ2F0>.

DISCUSSION

A. Standard of Review.

Since 2013, the FCC has had two opportunities to review transactions involving Securus. On both occasions, the FCC has declined to review the merits of arguments against the proposed transaction. Instead, the FCC has focused only on the “four corners” of the transaction, stating:

a threshold requirement in [the] transaction review process is whether the Applicants meet the requisite character qualifications to hold Commission licenses. To meet this requirement, Commission precedent requires that an applicant must operate in a manner consistent with the Act and the Commission's rules.¹²

While the FCC acknowledged the arguments that were presented against the 2017 acquisition of Securus by Platinum Equity, the FCC directed parties to consider initiating a costly Section 208 formal complaint review rather than the FCC delay the transaction any further.¹³

Significantly, the instant transaction is distinct from the 2017 or 2013 transactions. In those transactions, the FCC was only confronted by one question – whether the acquiring private equity funds (ABRY Partners and Platinum Equity) were qualified to control Securus. In contrast, the proposed acquisition here of a competitor licensee presents the Commission with two entirely different questions: (i) whether the further consolidation of the ICS industry by Securus’s proposed acquisition of ICSolutions is in the public interest, and (ii) whether Securus’s past violations of FCC rules and policies, including the new allegations of violations of Section

¹² 2017 Order, 28 FCC Rcd at 5724 (citing *Application of AT&T Inc. and BellSouth Corporation Application to Transfer Control*, Memorandum Opinion and Order, 22 FCC Rcd 5662, 5674 (2007) and *Applications of Guam Cellular and Paging Inc. and DoCoMo Guam Holdings, Inc.*, Memorandum Opinion and Order and Declaratory Ruling, 21 FCC Rcd 13,580 (2006)).

¹³ See 2017 Order, ¶28 (“The Commission likewise takes seriously allegations regarding possible violations of section 222 of the Act, and of its rules regarding the proprietary information of the customers of telecommunications services. However, like allegations regarding Securus’s rates and practices, any allegations regarding violations of these rules are better handled in the context of an enforcement proceeding and not in that of a transaction.”).

222 of the Communications Act, results in the need for the FCC to: deny or dismiss the Application or, in the alternative, designate it for hearing; open an inquiry into Securus' pattern of abuse as it pertains to its qualifications to hold FCC licenses; and launch a full-scale enforcement proceeding against Securus for its serious violations of consumers' privacy.

B. Further Consolidation In The ICS Marketplace is Contrary to the Public Interest.

The proposed transaction raises competitive concerns, as it will fortify an existing duopoly in the nationwide ICS market and shore-up facility-based monopolies held by Securus. Approval of the proposed transaction will eliminate the only remaining viable competitor in the provision of ICS to large prison and jail systems.

The FCC's public interest review of a proposed merger includes a competitive analysis that is "informed by...traditional antitrust principles."¹⁴ It must be noted, however, that unlike the Department of Justice's antitrust review, "the Commission's competitive analysis under the public interest standard is somewhat broader."¹⁵ Thus, upon a finding of anti-competitive concerns, the FCC can and will "impose and enforce narrowly tailored, transaction-specific conditions that address the potential harms of a transaction."¹⁶ But if the imposition of conditions will not resolve the potential harms, "or if the record presents a substantial and material question of fact, then [the FCC] must designate the application for hearing."¹⁷

¹⁴ See *2017 Order*, ¶ 12, nt. 36.

¹⁵ *Id.*, ¶ 12.

¹⁶ *Id.*

¹⁷ *Id.*, ¶ 14, nt. 43 ("Section 309(e)'s requirement applies only to those applications to which Title III of the Act applies. We are not required to designate for hearing applications for the transfer or assignment of Title II authorizations when we are unable to find that the public interest would be served by granting the applications, see *ITT World Communications, Inc. v. FCC*, 595 F.2d 897, 901 (2d Cir. 1979), but may do so if we find that a hearing would be in the public interest.").

According to an analysis by The Prison Policy Initiative, Securus and GTL already account for a combined 83% of the ICS market (on a total revenue basis), with ICSolutions comprising the next 11% (and no other company crossing a 3% threshold).¹⁸ In terms of market share based on incarcerated population under contract, Securus and GTL combined account for at least 73.5% of the ICS market.¹⁹

ICSolutions is the third largest ICS provider in the United States after Securus and GTL.²⁰ Industry consolidation was exacerbated by GTL's acquisition of Telmate in 2017, a transaction that was apparently structured in a manner to avoid FCC review and approval.²¹ As demonstrated in a real-world analysis of the RFP process for provision of ICS to Dallas County, Texas, jails, only GTL, Securus, and ICSolutions made it past initial screenings for consideration (out of seven bidders).²² To be considered for contracts to provide ICS to state prisons and the country's larger jails, a provider must be able to demonstrate or be seen as having experience servicing large contracts.²³ ICSolutions is currently the only competitor to GTL and Securus to meet that credibility threshold in order to compete to provide ICS to state prisons and large jail systems.

¹⁸ See Prison Policy Initiative, *Analysis of competition within the inmate calling services market* (July 13, 2018) (“*Prison Policy Initiative Analysis*”), attached hereto at Exhibit A.

¹⁹ *Id.*

²⁰ See *id.* While CenturyLink is ostensibly a competitor in the ICS space, further analysis reveals that CenturyLink subcontracts virtually all of its contracts to ICSolutions and Securus. Therefore, it is disingenuous to consider CenturyLink a credible competitor to ICSolutions or Securus.

²¹ See Exhibit B (documents from application filed with Georgia Public Service Commission and Telmate surrender of FCC Section 214 authorization).

²² *Prison Policy Initiative Analysis*, at 3.

²³ *Id.*

While the status of ICS rate regulations is in flux, what is undisputed is the Commission's findings in those proceedings that "the ICS market is a prime example of market failure."²⁴ In approving this instant transaction and, thereby, eliminating the sole remaining competitor to the Securus-GTL duopoly, the FCC would be complicit in creating further market failure and ensuring continued monopolistic abuses of ICS by Securus, such as the call-blocking it was accused of by Millicorp. Such a result is clearly contrary to the public interest. As no manner of transaction conditions can possibly alleviate the potential harms to inmates and their loved ones from the total loss of the sole third competitor for provision of ICS, the Commission must deny the Application for competitive concerns or, in the alternative, designate the Application for hearing.

C. Securus's Violations Are Stacking Up: History of Flagrant Abuse of FCC Policies and Procedures Demonstrates Lack of Character Qualifications.

The repeated and willful misconduct demonstrated by Securus in its dealings with the FCC, coupled with the serious allegations of privacy violations, raise substantial and material questions of fact as to whether Securus has the requisite qualifications to hold or acquire FCC authorizations. Securus has demonstrated a pattern of abusing Commission rules, policies and procedures, and its recent payment of a civil penalty of \$1.7 million to resolve violations committed during its last transaction illustrates the severity of its transgressions. In light of the new concerns that Securus was impermissibly obtaining, and making available, highly personal information from millions of people extending far beyond just the population having

²⁴ *Second R&O*, at 12765 (citing *Rates for Interstate Inmate Calling Services*, Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 12-375, 28 FCC Rcd 14107, 14129-30, para. 41 (2013) ("*2013 Order*").

relationships to inmates,²⁵ Securus’s fitness to be an FCC licensee is, at best, in doubt and requires a full FCC investigation and analysis.

The Commission considers the character and fitness of parties seeking to become or remain FCC licensees to be of such significance that, in 1985, it adopted a *Character Policy Statement* to clarify these requirements.²⁶ Although these character and fitness criteria were originally applied to broadcast licensees, the Commission has found that the *Character Policy Statement* is applicable in the context of evaluating wireless and common carrier applications as well.²⁷ One of the primary purposes of the Commission’s character policy is to ensure a licensee’s truthfulness in their future dealings with the Commission, finding that past misrepresentations and lack of candor raise serious concerns as to the likelihood of such truthfulness.²⁸

As discussed above, the FCC required Securus to enter into a Consent Decree in October 2017 resulting from Securus’s false and misleading statements presented to the FCC in connection with Platinum Equity’s acquisition of Securus from ABRY Partners.²⁹ The FCC agreed with the Petitioners that the statements provided by Securus management were not

²⁵ See *supra*, n. 10.

²⁶ See *Policy Regarding Character Qualifications in Broadcast Licensing*, Report, Order and Policy Statement, 102 F.C.C. 2d 1179 (1985) (“*Character Policy Statement*”).

²⁷ See, e.g., *Worldcom, Inc.*, 18 FCC Rcd 26484, 26493 ¶ 13 (2003) (endorsing the use of the Commission's character policy in the wireless and other common carrier contexts).

²⁸ *Maritime Communications/Land Mobile, LLC*, EB Docket No. 11-71, Order to Show Cause, Hearing Designation Order, and Notice of Opportunity for Hearing, 26 FCC Rcd 6520, 6530, ¶ 28 (2011).

²⁹ See *2017 Order*, ¶¶17-18 (“At the outset, we find that the claim in the July 26 Letter that Applicants had received ‘all necessary State/PSC/PUC approvals’ was inaccurate and incomplete, and we reject Applicants’ arguments to the contrary...To be truthful, by the clear language of the letter, any state, PSC, or PUC whose approval was required would need to have already granted its approval on or before the letter was filed on July 26. Alaska, California, and Mississippi plainly had not.”).

accurate, were intentionally misleading, and were provided to the FCC in an attempt to steam-roll the approval of the transaction.³⁰

This Consent Decree, unprecedented in both the size of the forfeiture and compliance plan, came on the heels of two earlier public rebukes. First, after the release of the *Second Report and Order*, the Commission found it necessary to take the extraordinary step of publicly rebuking Securus for sending out "misleading statements" to its correctional institution clients and threatening Securus with enforcement actions if its anticompetitive and anti-consumer behavior continued.³¹ Just one month after that public scolding, the Commission was compelled yet again to publicly admonish Securus for actively seeking to circumvent Commission rules and procedures.³²

In light of these past violations, continued and repeated willful misconduct, and the more recent allegations of serious violations of the Communications Act, the FCC must seriously consider whether it is in the public interest to permit the Securus management team to acquire

³⁰ *Id.*, ¶22 (“We find Securus’s cavalier and willful attitude towards the Commission and its transaction review process unacceptable. We agree with Petitioners that Securus provided inaccurate information to attempt to secure faster approval of the proposed transaction.”).

³¹ *See Letter to Robert Pickens, President, Securus Technologies, Inc.*, 30 FCC Rcd 13,666 (Dec. 3, 2016) (“If we observe or are made aware of evidence of price gouging or other harmful behavior through, but not limited to, increased rates, ancillary service charges, and/or site commissions, we will not hesitate to take appropriate remedial action up to and including enforcement action pursuant to our legal authority under sections 201 and 276 or referral to another appropriate agency.”).

³² *See 2016 Stay Order*, 31 FCC Rcd at 261, nt. 3 (“We note, however, that this is not the first time that Securus, in particular, has attempted to make filings that are not permitted by the Commission’s rules. We admonish Securus that repeated and willful attempts to circumvent the Commission’s procedural rules will not be tolerated and may result in sanctions.”). *See also Notice of Prohibited Presentations in the Matter of Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996 et al.*, Public Notice, 30 FCC Rcd 13,424 (OGC, Nov. 20, 2015).

control of ICSolutions.³³ Specifically, the Commission warned in the 2017 Order that “future violations of Commission rules and policies by Securus could be grounds for revocation of its section 214 operating authority.”³⁴ Certainly the potential violations of Section 222 of the Communications Act demand that the Commission, at minimum, hold processing of the Application in abeyance while it determines whether such violations occurred and whether there are grounds for denial of the acquisition of licenses or, as warned, revocation of Securus’ existing licenses.

CONCLUSION

The Commission requires licensees to comply with the Communications Act of 1934, as amended, and with the Commission's rules, policies and procedures. As shown herein, Securus has flouted the FCC’s rules and policies, and apparently misled other industry participants regarding the acquisition of highly-personal location tracking data. Further, the acquisition of ICSolutions will further consolidate the companies capable of competing for monopoly contracts for large jail and state prison systems.

³³ See *2017 Order*, ¶19 (“It is precisely because these filers attempted to persuade the head of the agency to act more quickly on applications by relying on information known to be incorrect that the filers’ actions are so egregious. The responsibility for the inaccurate and incomplete information falls squarely on Securus and its current management. As Petitioners point out, Applicants have affirmed that the current management of Securus will remain in place post-transaction. The rule violations at issue here and the transparency problems associated with them relate to Securus, not to Transferee and Platinum Equity, LLC, the acquirer.”).

³⁴ *Id.* at ¶25.

In light of Securus's serial violations of FCC rules and policies that led to its repeated admonishment and civil penalties, along with anti-competitive consolidation in the ICS industry resulting from the acquisition of the third-largest ICS provider, the Commission must deny the Application and immediately initiate a proceeding to investigate the possible violation of Section 222 of the Communications Act. At the very least, the Commission must hold the Applications in abeyance until the Commission's investigation in alleged Section 222 violations by Securus has been completed.

July 16, 2018

Respectfully submitted,

THE WRIGHT PETITIONERS
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REHABILITATION OF ERRANTS
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EXHIBIT A

Prison Policy Initiative Analysis

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Analysis of competition within the inmate calling services market, Prepared July 13, 2018

The acquisition of ICSolutions by Securus will effectively reduce the market for “inmate calling services” to just two companies: Securus and GTL. To be sure, there are other companies that provide these services, but these companies are very small and so do not participate in the state prison or large county jail markets.

Securus will no doubt point to the existence of CenturyLink as evidence that the market is not yet a duopoly; but as CenturyLink subcontracts virtually all of its contracts to ICSolutions and Securus, it cannot be considered a credible competitor to ICSolutions or Securus. With the acquisition of ICSolutions, the number of major players in this market will dwindle to two.

To illustrate GTL and Securus’ dominance of the market, we offer two different market analyses:

- 1) Market share by population under the companies' contracts.
- 2) Market share by company revenue.

Market share based on incarcerated population under contract

In 2017, the Prison Policy Initiative calculated market share based on how many incarcerated people are subject to the companies' contracts, and we found that Securus and GTL make up *at least* 73.5% of the market.¹ At that time, ICSolutions was their biggest competitor, even though it covers only about 5% of the correctional population. No other provider covered more than 2% of the incarcerated population.²

¹ This calculation assumes that there is a direct relationship between facility size and call volume. We know that costs impact volume, and we can imagine that facility type also impacts volume; but the general trend certainly should be true and given the industry’s lack of transparency we consider this a more than acceptable substitute for actual call volume by vendor.

² The disparity between the larger and smaller companies is illustrated further by a deeper analysis of our 2017 market share survey. Paytel, the next largest independent company -- with about 1.3% of the market — serves contracts with an average of 166. GTL, which serves large prisons as well as jails, serves contracts with an average of 1,494 incarcerated people. Securus, at that time, served contracts with an average of 469 incarcerated people and ICSolutions served contracts with an average of 633 incarcerated people.

This analysis is explained in depth at:

<https://www.prisonpolicy.org/blog/2017/08/28/merger/>. At the time we conducted that research, Telmate was independent of GTL, and as our goal was to quantify GTL's size, it wasn't necessary to fully address CenturyLink's partnerships with ICSolutions and Securus. In the context of this transaction and on the basis of more research showing that CenturyLink outsources all of their contracts to other companies, mostly to Securus and ICSolutions, we consider it disingenuous to consider CenturyLink a separate company that serves as a competitive choice to either ICSolutions or Securus.

Therefore, the 73.5% market share calculated for Securus and GTL above incorporates our 2017 research on Telmate, CenturyLink and ICSolutions into the Securus and GTL numbers.

Market share based on Revenue

In June of 2018, we performed a different analysis based on the revenue of the companies and came to a similar conclusion: Securus and GTL account for 83% of the market, with ICSolutions taking the next 11%, and no other company crossing 3%.

This analysis was based on revenue filings for any inmate calling services company that also does business in Alabama. Even though the disclosures are filed in Alabama, the data covers all of the companies' contracts nationwide. The data is from 2017 except for Securus and GTL, which is from 2016, because these two companies refused to make the same disclosures for 2017.³

³ Copies of the revenue documents submitted to the Alabama Public Service Commission and obtained via open records requests are available at:

Securus:

https://static.prisonpolicy.org/phones/financials/2016/securus_2016_financial_report.pdf

GTL:

https://static.prisonpolicy.org/phones/financials/2016/GTL_2016.pdf

ICSolutions:

https://www.prisonpolicy.org/phones/financials/2017/ics_incstmt-2017.pdf

NCIC:

https://www.prisonpolicy.org/phones/financials/2017/network_communications_international_corp-al_annual_financial_statement2017.pdf

Paytel:

https://www.prisonpolicy.org/phones/financials/2017/pay_tel_communications_inc.-al_annual_financial_statements-inmate-2017.pdf

Legacy:

https://www.prisonpolicy.org/phones/financials/2017/legacy_long_distance_international_inc._al_annual_financial_statements2017.pdf

This revenue analysis reveals the same pattern as the contract analysis: Most of the market is controlled by GTL and Securus, and a number of companies have *at most* 1-2% percent of the market. ICSolutions is the *one company* that occupies the middle space, and it is being acquired by Securus:

Provider	Percent revenue	Revenue (2017*)
Securus	43%	\$ 583,659,000*
GTL	40%	\$ 536,441,095*
ICSolutions	11%	\$ 154,713,578
NCIC	2%	\$ 32,057,324
Paytel	2%	\$ 29,570,632
Legacy	1%	\$ 19,044,687

Real-world Illustration

Both analyses above make it clear that an *independent* ICSolutions is the only significant competitor to Securus and GTL, especially for state prisons and the country's larger jails which often need an inmate calling services provider that has experience servicing large contracts.

This analysis is not merely theoretical; it is how contract negotiations play out in the real world. For example, when Dallas County Texas put out its jail phones to bid in 2014, the bids followed this familiar pattern. Seven companies submitted bids, and predictably, only Securus and GTL moved onto the final round of the 3-step process.⁴

And which companies made it past the initial screening to be considered by one of the largest jails in the country? Apart from GTL and Securus, only Telmate (now absorbed by GTL) and ICSolutions which Securus seeks to acquire were considered credible bidders. If Securus succeeds in eliminating ICSolutions as an independent competitor, state prisons and large jails like Dallas will have exactly two companies to choose between: GTL and Securus.

Conclusion

Under either analysis, ICSolutions is effectively the only competition to Securus and GTL. ICSolutions' merger into Securus particularly impacts prisons and large jails, by depriving them of the only other company that has experience handling large contracts.

⁴ Bid sheets showing the companies' progress through the 3-step RFP process are attached.

This diminished competition will give facilities less choice and less ability to draft contracts that truly meet their needs. Such a decline in the power of facilities to negotiate with the phone companies comes at a particularly bad time: when a growing number of facilities are finally seeking contracts that lower phone rates for the end user.

RFP #2014-017-6399 Request for Proposal for Inmate Phone / Video Visitation Service Provider		PROPOSER #1	PROPOSER #2	PROPOSER #3	PROPOSER #4	PROPOSER #5	PROPOSER #6	PROPOSER #7
		Edge Access Inc.	Global Tel Link	IC Solutions	Legacy Inmate Communications	Securus Technologies, Inc.	Telmate LLC	Unisys Corporation
Scoring Criteria								
	Max. Points							
I	COMPANY PROFILE	20						
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
II	SYSTEM FUNCTIONALITY (TECHNICAL APPROACH)	45						
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
III	TRANSITION/IMPLEMENTATION PLAN AND TIMELINE	20						
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
IV	M/WBE Participation (Scored by M/WBE)	15						
	Certified M/WBE Firm	6	6	6	6	6	6	6
	Certified M/WBE SubContractors	6	6	6	6	6	6	6
	EEO1 Compliance	3	3	3	3	3	3	3
	Total M/WBE	15	15	15	15	15	15	15
TOTAL POINTS		100	100	100	100	100	100	100
Highest Ranking			2	4		1	3	

[REDACTED]

2014-07-14
10:39 AM

Score Sheet

RFP #2014-017-6399 Request for Proposal for Inmate Phone / Video Visitation Service Provider Step Two - Interviews		PROPOSER #1 Securus Technologies, Inc.	PROPOSER #2 Global Tel Link	PROPOSER #3 Telmate LLC	PROPOSER #4 IC Solutions
Scoring Criteria	Max. Points				
I COMPANY PROFILE "CONFIDENTIAL WORK PRODUCT" [REDACTED]	20	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
II SYSTEM FUNCTIONALITY (TECHNICAL APPROACH) [REDACTED]	45	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
III TRANSITION/IMPLEMENTATION PLAN AND TIMELINE [REDACTED]	20	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
IV M/WBE Participation (Scored by M/WBE)	15				
Certified M/WBE Firm	6	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Certified M/WBE SubContractors	6	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
EEO1 Compliance	3	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total M/WBE		[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
TOTAL POINTS	100	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Highest Ranking					
Note: Commissions / Rates should be scored within the category of Company Profile.					
TOP 2 FIRMS FOR BAFO - STEP 3					

11/18/2014
1:22 PM

Score Sheet

RFP #2014-017-6399 Request for Proposal for Inmate Phone / Video Visitation Service Provider Step Three - BAFO		PROPOSER #1	PROPOSER #2
		Securus Technologies, Inc.	Global Tel Link
	Scoring Criteria	Max.	
	"CONFIDENTIAL WORK PRODUCT"	Points	
I	COMPANY PROFILE	20	
	[REDACTED]		
II	SYSTEM FUNCTIONALITY (TECHNICAL APPROACH)	45	
	[REDACTED]		
III	TRANSITION/IMPLEMENTATION PLAN AND TIMELINE	20	
	[REDACTED]		
IV	M/WBE Participation (Scored by M/WBE)	15	
	Certified M/WBE Firm	6	
	Certified M/WBE SubContractors	6	
	EEO1 Compliance	3	
	Total M/WBE		
	TOTAL POINTS	100	
	Highest Ranking		
Note: BAFO Commissions / Rates should be scored within the category of Company Profile.			

EXHIBIT B

Documents relating to GTL 2017 acquisition of Telmate

FILED

MAY 19 2017

**EXECUTIVE SECRETARY
G.P.S.C.**

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SUSANNA M. SUH
ANTHONY K. TAMA
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JOHN A. TRIPODORO
GLENN J. WALDRIP, JR.
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MICHAEL B. WEISS
S. PENNY WINDLE
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COREY WRIGHT
JOSHUA M. ZELIG
DANIEL J. ZUBKOFF

*ADMITTED IN DC ONLY

Via Federal Express

Reece McAlister
Executive Secretary
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, GA 30334

May 18, 2017



**Re: Joint Application of Global Tel*Link Corporation and Telmate LLC for
Approval of Transfer of Control**

Dear Secretary McAlister:

Global Tel*Link Corporation and Telmate LLC hereby enclose an original and two (2) copies of their Application for Approval of Transfer of Control.

Please date stamp the extra copy of the Application, and return it in the enclosed envelope. If you have any questions concerning this matter, please contact the undersigned.

Respectfully submitted,

Chérie R. Kiser

Counsel for Global Tel*Link Corporation

Enclosures

cc: Brita D. Strandberg, Counsel for Telmate LLC

ORIGINAL

FILED

MAY 19 2017

EXECUTIVE SECRETARY
G.P.S.C.

BEFORE THE
GEORGIA PUBLIC SERVICE COMMISSION

Joint Application of Global Tel*Link)
Corporation and Telmate LLC for)
Approval of the Transfer of Control of)
Telmate LLC to Global Tel*Link)
Corporation)

Docket No. 32493

JOINT APPLICATION

Pursuant to O.C.G.A. §§ 46-5-41, 46-2-28, and Commission Rule 515-4-1-.01, Global Tel*Link Corporation (“GTL”) and Telmate LLC (“Telmate”) (GTL and Telmate collectively, the “Applicants”) hereby respectfully request that the Georgia Public Service Commission (“Commission”) approve the Transaction described herein. Applicants submit the following in support of this Application:

I. DESCRIPTION OF THE APPLICANTS

A. Global Tel*Link Corporation

GTL is an Idaho corporation with headquarters located at 12021 Sunset Hills Road, Suite 100, Reston, Virginia 20190. GTL is authorized by the Commission to provide intrastate interexchange alternate operator services, institutional telecommunication services, and customer owned coin/coinless operated telephones in Georgia.¹ DSI-ITI, LLC (“DSI-ITI”),² Public Communications Services, Inc. (“PCS”),³ and Value-Added Communications, Inc. (“VAC”)⁴ are wholly owned subsidiaries of GTL that also hold authorization to provide telecommunications services in Georgia. Information regarding GTL’s financial condition can be found in its 2016

¹ Docket No. 5295-U, Certificate No. A-094 (Sept. 5, 1995); Certificate No. P-006 (Nov. 7, 1995); Certificate No. 5M-0094 (Oct. 7, 1997).

² Docket No. 31650 (Apr. 5, 2011).

³ Docket No. 13331-U, Certificate No. P-0047 (Apr. 2, 2002).

⁴ Certificate No. 025 (Nov. 6, 1992); Certificate No. 077 (Nov. 24, 1992); Certificate No. P-012 (Nov. 2, 1993).

annual report filed April 26, 2017 in Docket No. 5295.

B. Telmate LLC

Telmate is a California limited liability company with headquarters located at 655 Montgomery Street, 18th Floor, San Francisco, California 94111. Telmate is authorized to provide institutional telecommunications services in Georgia.⁵

II. DESIGNATED CONTACTS

For the purposes of this Application, inquiries, or copies of any correspondence, orders, or other materials should be directed as follows:

For Telmate

Brita D. Strandberg
Harris, Wiltshire & Grannis LLP
1919 M Street NW, Eighth Floor
Washington, D.C. 20036-3537
202-730-1346 (telephone)
202-730-1301 (facsimile)
bstrandberg@hwglaw.com

Curt Clifton
Vice President of Government Affairs and
Strategic Planning
Telmate LLC
655 Montgomery Street, 18th Floor
San Francisco, CA 94111
415-494-4028 (telephone)
curt@telmate.com

For GTL

Chérie R. Kiser
Cahill Gordon & Reindel LLP
1990 K Street, N.W., Suite 950
Washington, D.C. 20006
202-862-8950 (telephone)
866-255-0185 (facsimile)
ckiser@cahill.com

III. DESCRIPTION OF TRANSACTION

On April 30, 2017, GTL and Telmate entered into an Interest Purchase Agreement (the “Agreement”). Pursuant to the Agreement, the current shareholders of Telmate will transfer all of their shares to GTL and GTL will acquire ultimate control of Telmate, and thereafter certain Telmate assets may be transferred to GTL (the “Transaction”). For the Commission’s

⁵ Docket No. 32493, Certificate No. P-0066.

convenience, pre- and post-Transaction corporate organizational structure charts depicting the entities involved in the transfer of control are provided as Exhibit 1. Consummation of the Transaction is contingent on, among other things, receipt of all necessary regulatory approvals.

The initial phase of the proposed Transaction – transfer of control of Telmate from Telmate’s present owners to GTL – does not involve any assignment of licenses or customers. All current customers of Telmate will continue to be served by Telmate pursuant to its existing authorization in Georgia. This phase of the Transaction will be transparent to customers who will continue to receive their existing services at the same or similar rates, terms, and conditions without any immediate changes. Telmate’s existing customers will continue to receive service under the “Telmate” name as a result of the proposed Transaction, and all billing and correspondence will reflect the “Telmate” name. Accordingly, customer notice is not required for the initial phase of the proposed Transaction under Georgia rules or the requirements of Section 64.1120(e) of the Federal Communications Commission’s rules because there will be no change in service provider from the customer’s perspective.

At some time subsequent to consummation of the transfer of control, Telmate may transfer to GTL all or substantially all of its assets, including customers, customer agreements and contracts, vendor agreements and contracts, intellectual property, and promotional materials (collectively, “Assets”). If the Telmate Assets are transferred to GTL, Telmate customers will receive service from GTL pursuant to the same or similar rates, terms, and conditions without any immediate changes. At such time, GTL and Telmate will provide Telmate customers with any notice required under Georgia and Federal Communications Commission rules prior to completing the assignment of the Telmate Assets to GTL.

IV. DESCRIPTION OF FINANCING ARRANGEMENTS

On May 21, 2013, the Commission granted approval for GTL, DSI, VAC, and PCS to participate in a series of debt financing arrangements.⁶ Under those arrangements, GTL's present and future, direct and indirect domestic subsidiaries act as guarantors and also participate in the financing arrangements. Upon consummation of the above-described transfer of control Transaction, Telmate will become a direct subsidiary of GTL, and thus will become a guarantor under the previously-approved debt financing arrangements. As previously determined by the Commission, these debt financing arrangements will not affect the rates, terms, and conditions of service, and will be entirely transparent to customers. Accordingly, the Parties provide notice that Telmate will enter into and participate in the debt financing arrangements previously approved by the Commission in 2013.

V. PUBLIC INTEREST ANALYSIS

Approval of the Transaction is in the public interest. Following consummation of the Transaction, GTL and Telmate will continue to offer high quality services to correctional facilities in Georgia, which is supported by their industry knowledge, technical expertise, and financial strength. The proposed Transaction will allow GTL and Telmate to realize significant financial and operational benefits, which will strengthen their ability to compete in the inmate communications market to the benefit of consumers and the marketplace overall. The proposed Transaction also will enhance economic efficiency by enabling GTL and Telmate to expand their businesses and achieve economies of scale. These benefits will strengthen the Parties' ability to serve their existing customers and expand their product and service offerings to a broader customer base, as well as introduce innovative products and services and to respond better to the

⁶ Docket No. 5295, Letter Order (May 21, 2013).

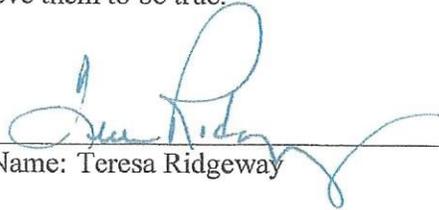
competitive environment. As a result, the proposed Transaction will have a positive effect on the public interest, service to Georgia customers, and competition.

STATE OF ALABAMA)
)
COUNTY OF MOBILE)

VERIFICATION

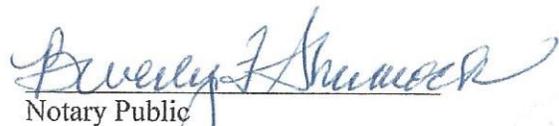
I, Teresa Ridgeway, Senior Vice President, Administration, of Global Tel*Link Corporation and its subsidiaries, have reviewed and am familiar with the foregoing document. The statements in the foregoing document with respect to Global Tel*Link Corporation and its subsidiaries are true of my own knowledge, except as to matters which are herein stated on information and belief, and as to those matters, I believe them to be true.

May 17, 2017
Date


Name: Teresa Ridgeway

Title: Senior Vice President,
Administration,
Global Tel*Link Corporation

Subscribed and sworn to before me this 17th day of May, 2017.


Notary Public

BEVERLY F. SHUMOCK
Notary Public
Alabama State At Large
My Commission Expires 09/30/2017

WHEREFORE, for the reasons stated above, the Applicants respectfully request that the Commission grant all authority necessary for the Transaction described herein.

Respectfully submitted,

TELMATE LLC

/s/ Brita D. Strandberg

Brita D. Strandberg
Harris, Wiltshire & Grannis LLP
1919 M Street N.W., Eighth Floor
Washington, D.C. 20036-3537
202-730-1346 (telephone)
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bstrandberg@hwglaw.com

Curt Clifton
Vice President of Government Affairs
and Strategic Planning
Telmate LLC
655 Montgomery Street, 18th Floor
San Francisco, CA 94111
415-494-4028 (telephone)
curt@telmate.com

Counsel for Telmate LLC

GLOBAL TEL*LINK CORPORATION



Cherie R. Kiser
Cahill Gordon & Reindel LLP
1990 K Street, N.W., Suite 950
Washington, D.C. 20006
202-862-8950 (telephone)
866-255-0185 (facsimile)
ckiser@cahill.com

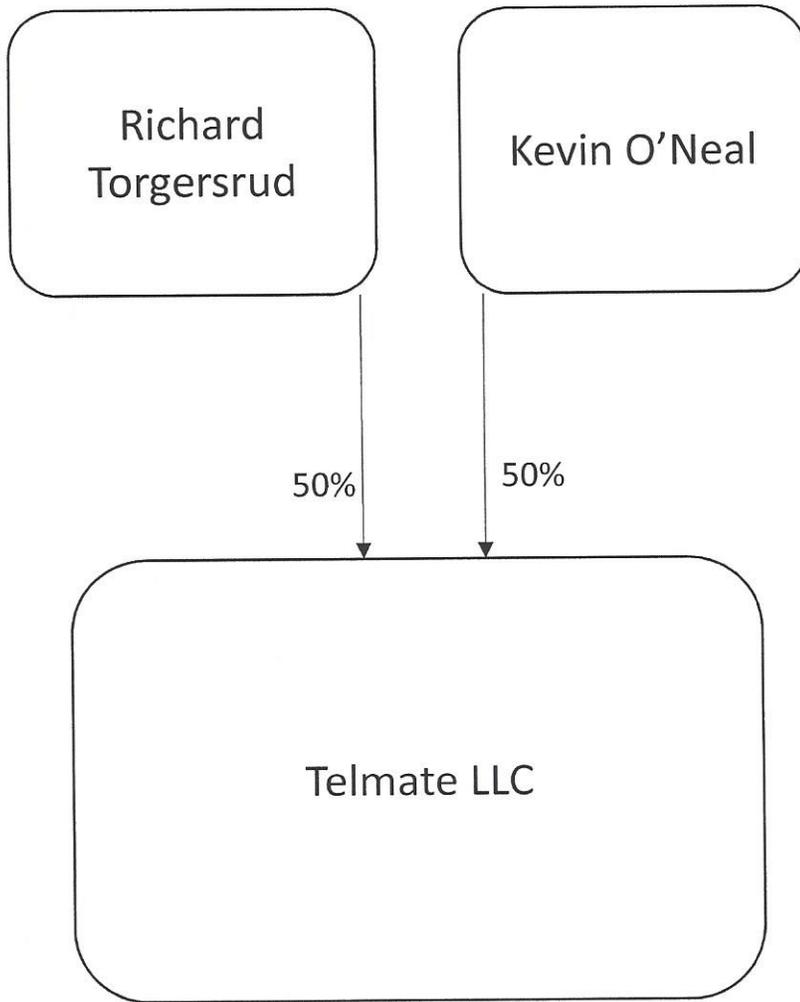
Counsel for Global Tel*Link Corporation

Dated: May 18, 2017

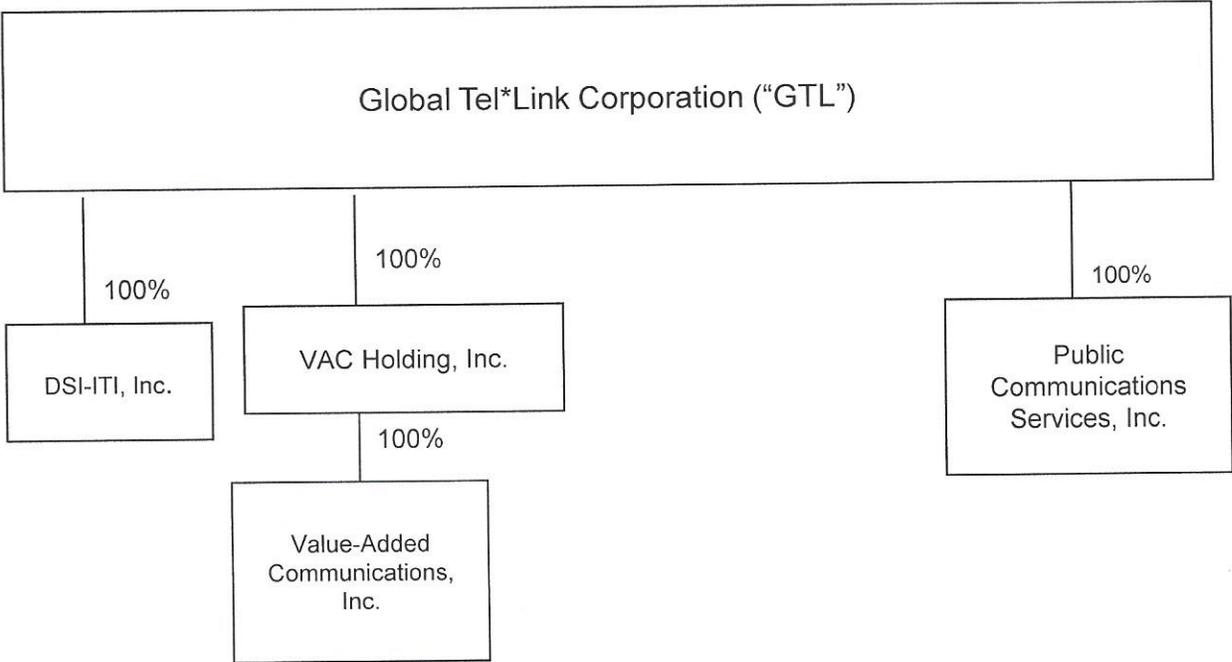
EXHIBIT 1

Pre- and Post-Transaction Organizational Charts

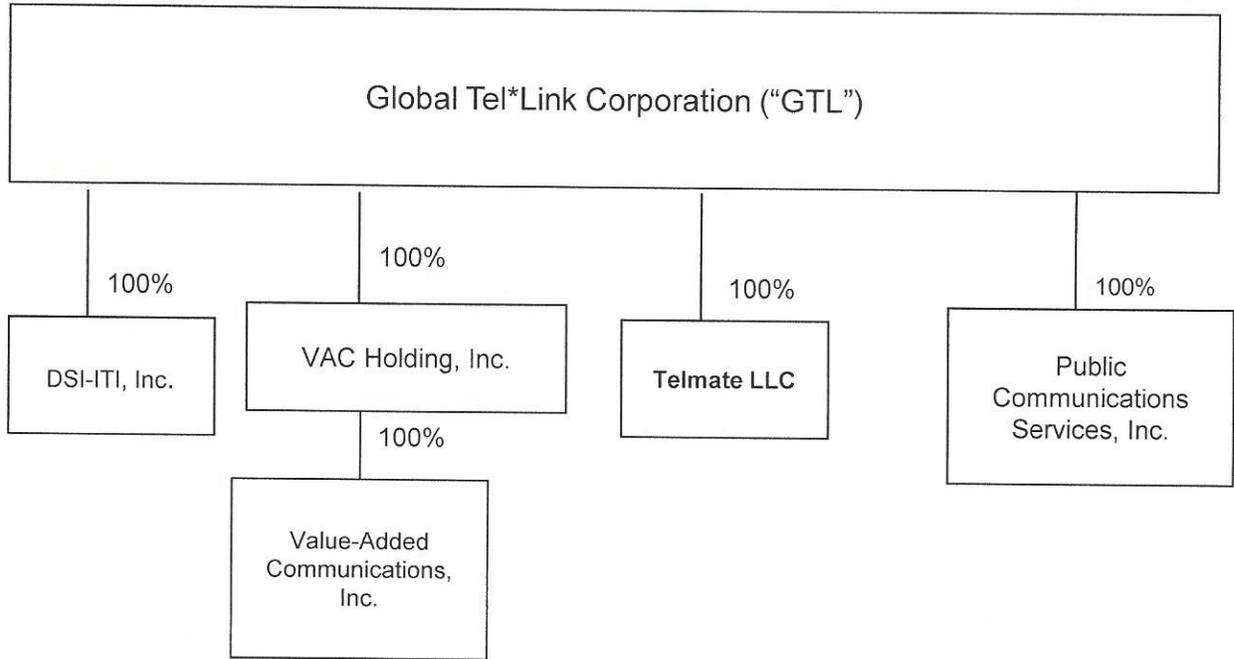
Telmate LLC Pre-Transaction Organizational Chart



Global Tel*Link Corporation Pre-Transaction Organizational Chart



Post-Transaction Organizational Chart

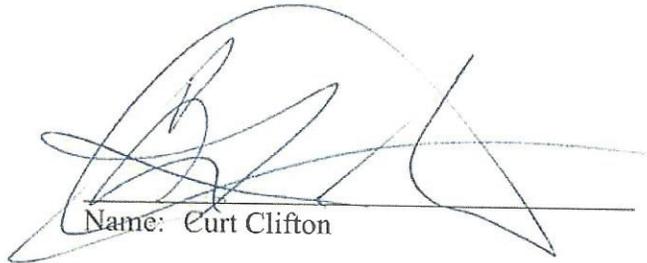


STATE OF CALIFORNIA)
)
CITY AND COUNTY OF SAN FRANCISCO)

VERIFICATION

I, Curt Clifton, Vice President of Government Affairs and Strategic Planning of Telmate LLC, have reviewed and am familiar with the foregoing document. The statements in the foregoing document with respect to Telmate LLC are true of my own knowledge, except as to matters which are herein stated on information and belief, and as to those matters, I believe them to be true.

5/18
Date


Name: Curt Clifton

Title: Vice President of Government
Affairs and Strategic Planning,
Telmate LLC

Subscribed and sworn to before me this 18 day of May 2017.

LISA MARIE GARCIA
Notary Public



COMMISSIONERS:

STAN WISE, CHAIRMAN
TIM G. ECHOLS
CHUCK EATON
H. DOUG EVERETT
LAUREN "BUBBA" McDONALD, JR.



FILED

JUN 07 2017

DEBORAH K. FLANNAGAN
EXECUTIVE DIRECTOR

REECE McALISTER
EXECUTIVE SECRETARY

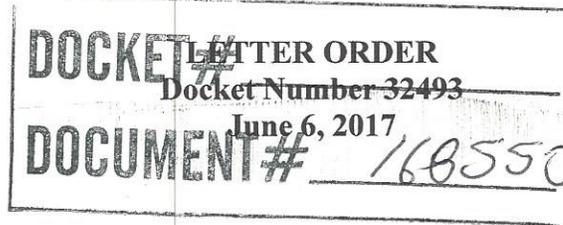
Georgia Public Service Commission

EXECUTIVE SECRETARY
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Cherie Kiser, Counsel
Cahill Gordon & Reindel LLP
Eighty Pine Street
New York, NY 10005-1702

Dear Ms. Kiser:

On May 19, 2017, Global Tel*Link Corporation ("GTL") and Telmate LLC ("Telmate") filed an application with the Georgia Public Service Commission ("Commission") requesting approval to enter into a Interest Purchase Agreement ("Agreement") whereby GTL intends to acquire control of Telmate. Pursuant to the Agreement, the current shareholders of Telmate will transfer all of their shares to GTL and GTL will acquire ultimate control of Telmate and thereafter certain Telmate assets may be transferred to GTL.

As more fully described in the application, the proposed transaction does not involve any assignment of licenses or customers. All current customers of Telmate will continue to be served by Telmate upon closing of the proposed transaction. Additionally, the Commission granted approval for GTL, DSI, VAC, and PCS to participate in a series of debt financing on May 21, 2013. Under those arrangements, GTL's present and future, direct, and indirect domestic subsidiaries act as guarantors and also participate in the finance arrangements. Upon consummation of the transfer of control, Telmate will become a direct subsidiary of GTL and will become guarantor of this previously approved debt financing arrangements.

The proposed transaction will allow GTL and Telmate to realize significant financial and operational benefits, which will strengthen their ability to compete in the inmate communications market to benefit the consumers and the marketplace overall. Additionally, the Applicants state that these benefits will introduce innovative products and services and to respond better to the competitive environment.

The subject transaction is not expected to cause any operational changes or result in any changes to the tariff. After consummation of the transaction, Telmate may transfer to GTL all or substantially all of its assets, including customers, customer agreements and contracts, intellectual property, and promotional materials (collectively, "Assets"). If the Telmate Assets are transferred to GTL, GTL will provide service with no change in rates, terms and conditions of service. Thus, the financing transaction will be transparent to customers and will not have any adverse impact on them.

Global Tel*Link Corporation and Telmate LLC are certified in Georgia to provide telecommunications services pursuant to certificates of authority numbers A-094, R-0221, P-006 and P-0066 consecutively. During its Administrative Session on June 6, 2017, the Commission considered the above-referenced item and found it to be reasonable and proper.

The Commission also found that it was appropriate to waive a hearing in this matter. Approval of this transaction is expressly based on the representation contained in the application filed on May 19, 2017. The Commission reserves the right to later revisit this matter and issue any further orders as it may deem necessary.

Wherefore, it is

ORDERED, that the application filed by Global Tel*Link Corporation and Telmate LLC requesting approval to enter into an Interest Purchase Agreement whereas GTL intends to acquire control of Telmate and Telmate will become guarantor of previously approved debt financing arrangement dated May 21, 2013 is hereby approved.

ORDERED FURTHER, that the authority granted herein is contingent upon the approval of any other regulatory body having jurisdiction over this matter.

ORDERED FURTHER, that within 30 days of completion of the financing transaction, the Company shall file a full and complete report on the final disposition.

ORDERED FURTHER, that the Commission hereby waive a hearing in this matter.

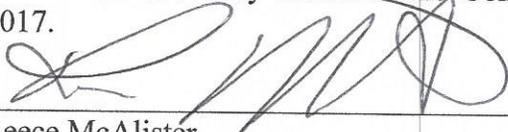
ORDERED FURTHER, that jurisdiction over this matter is expressly retained for the purpose of entering such further order or orders, as this Commission may deem just and proper.

Cherie Kiser, Counsel
Letter Order-Docket Number 32493
June 6, 2017

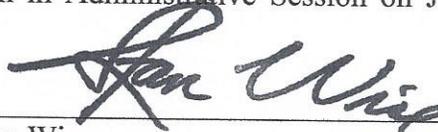
Page 3

ORDERED FURTHER, that a motion for reconsideration, rehearing, or oral argument or any other motion shall not stay the effective date of this Order, unless otherwise ordered by the Commission.

The above by action of the Commission in Administrative Session on June 6, 2017.



Reece McAlister
Executive Secretary



Stan Wise
Chairman

DATE: _____

6-7-17

DATE: _____

6-7-17

RM/SW/TStarks

July 31, 2017

VIA IBFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

**Re: Telmate, LLC Surrender of International Section 214 Authorization—
International Bureau File No. ITC-214-20100923-00387**

Dear Ms. Dortch:

Pursuant to Section 63.19 of the Commission's rules, Telmate, LLC hereby surrenders its International Section 214 Authorization granted in the IB File No. ITC-214-20100923-00387, effective July 31, 2017.

Telmate provides only VoIP and information services, and thus does not provide any international telecommunications services that would require Section 214 authorization. Likewise, Telmate has no U.S. customers to which the customer notification requirements of Section 63.19(1)-(2) would apply.

Please do not hesitate to contact me at (202) 730-1346 or bstrandberg@hwglaw.com if you have any questions or need additional information.

Sincerely yours,



Brita D. Strandberg
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1919 M Street NW, 8th Floor
Washington, DC 20036
(202) 730-1346
Counsel to Telmate, LLC

cc: David Krech, Associate Division Chief, Telecommunications and Analysis Division, IB

VERIFICATION

On behalf of Telmate, LLC, I hereby certify that the contents of the foregoing filing to surrender the International 214 Authorization of Telmate, LLC are true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury that the foregoing is true and correct.

/s/ Curt Clifton
Curt Clifton

Vice President

July 31, 2017

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 16th day of July, 2018, a true copy of the foregoing Petition to Deny was sent by first class mail, postage prepaid, and/or by electronic mail to the following recipients.

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